

(i) Investigations and development costs incurred in the post-authorization (post-decisional) phase of project development are generally capitalized because they are expected to result in the construction of an asset, and are incurred after the decision is made to construct or after construction authorization is received. Some examples of these types of costs include:

- Advance Planning
- Definite Plan Reviews
- Engineering Reviews
- Architectural Reviews
- Certain cultural resource or archaeological investigations or studies costs attributable to project construction

(ii) In some cases, investigations costs may be posted directly to the CIP account, such as when capital investigations costs are incurred after the criteria is met for transfer from the investigations and development account to CIP (2. d.). Investigations costs posted directly to the CIP account shall be recorded in the construction plant account (main) → ||| and account component (sub), 001 92 00, specified for investigations and development costs.

C. Analysis of Investigations and Development Costs.

(1) Regions are responsible for analyzing investigations and development costs on an annual basis to determine if:

- The status of the project has progressed to such a point that costs should be transferred from investigations and development (SGL 199B) to CIP (SGL 1720), or
- The status has changed and either construction is no longer planned or the project or feature has been deauthorized. In this case, the costs should be expensed (SGL 610A).

- (2) This analysis will be facilitated with the use of the Investigations and Development Analysis Form (Appendix A). This form will be prepared by the Regional Finance Office and will provide the status of each identified program or feature. The Program Manager may also provide the estimated date when the accounting program for CIP may be established, and/or other pertinent comments on the form. The status of each program or feature in SGL 199B will be documented on this form.

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